

# UNIFIED SCHOOL DISTRICT No. 507

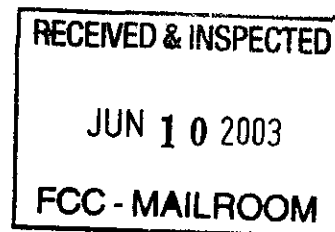
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FCC  
Office of Secretary 445-12<sup>th</sup> Street SW  
Washington, DC 20554  
May 30, 2003



CC Docket Nos. 96-45 & 97-21

RE:    Billed Entity Number            138191  
      471 Application Number        69113  
      Funding Request Number       65648  
      Commitment Adjustment Letter Date:    October 28, 2002  
      Applicant's Responses                    November 5, 2002 & January 3, 2003

USD 507 Satanta received an Administrator's Decision on Appeal (Funding Year 1998-99) from the USAC on April 7, 2003. The Decision on the Appeal was "denied in full". The primary reason for denial was that our request for telecommunications services came from an invalid telecommunications provider not recognized by the SLD as providing services on a common carrier basis.

In explanation of this application error, USD 507 Satanta became part of an Interactive Distance Learning consortium in 1989. Although telecommunications services were provided by an eligible service provider (Pioneer Tel. Assn., Inc. of Ulysses, KS), the regional education service center (SW Plains Regional Service Center, Sublette, KS) directed the activities and services of the consortium. With the advent of Erate funding, the Service Center was assigned a SPIN (143005424) and members of the consortium mistakenly used this SPIN in the first application. This was not a case of fraud or abuse; rather it was a matter of misunderstanding in the early years of the Erate program. The confusion came from applying the standards of a new program to contractual agreements that had been in place for nine years prior to the beginning of the Erate program.

School districts in Kansas are not allowed to carry-over money from one fiscal year to the next; hence, the discount awarded in Funding Year 1998-99 was applied to eligible telecommunications services in that fiscal year. I also should note that once our school district fully understood the application process and applied the appropriate SPIN: 143002303 of our service provider (Pioneer Tel. Assn., Inc.), we have been fully funded for eligible services. This seems to underscore the fact that our request was legitimate although we used an incorrect SPIN in the first year of the program.

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We regret the confusion that this use of the incorrect SPIN has created, but assure you that the money provided was applied to eligible services for the students of SW Kansas. We respectfully request that you allow our schools to retain the funding that was awarded in Funding Year 1998-99 for eligible telecommunications services.

Please do not hesitate to contact us if you need additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Monty Brown", with a long horizontal flourish extending to the right.

Monty Brown, Superintendent  
USD 507-Satanta